

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF DALE) APPEAL NO. 07-A-2429
WAINWRIGHT from the decision of the Board of) FINAL DECISION
Equalization of Bonner County for tax year 2007.) AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing October 16, 2007, in Sandpoint, before Board Member Linda S. Pike. Board Member Lyle R. Cobbs and David E. Kinghorn participated in this decision. Dale Wainwright did not appear at hearing. Assessor Jerry Clemons and Residential Supervisor Jeri Peterson appeared for Respondent Bonner County. This appeal is taken from a decision of the Bonner County Board of Equalization (BOE) modifying the protest of the valuation for taxing purposes of property described as Parcel No. RP004300000020A.

The issue on appeal is the market value of an unimproved waterfront parcel.

The decision of the Bonner County Board of Equalization is affirmed.

FINDINGS OF FACT

The BOE reduced the assessed land value to \$553,410. Appellant requests the land value be further reduced to \$527,899.

The subject property is a .27 acre unimproved waterfront parcel located on Lake Pend Oreille in Sagle, Idaho. Subject has 110 feet of waterfront, with a gently sloping sandy beach and was assessed at \$5,031 per front foot.

Appellant did not appear at hearing, however, did submit a package of information to support the proposed value of subject. Appellant highlighted a portion of a letter sent from the Bonner County Commissioners during August 2006, explaining the State Board of Equalization determined that property in Bonner County was assessed below market value. As such, trend factors were applied to the assessed values of properties in the County to bring them up to

market value. The trends resulted in property valued at 95% of market value. Respondent did not dispute or otherwise challenge the authenticity of the letter or the accuracy of its contents.

Appellant provided an October 2006 sale of a .835 acre parcel in subject's general area that sold for \$550,000. It was noted the sale involved a larger lot with 180 feet of waterfront and enjoyed a better view than subject, yet sold for less than subject's assessed value.

Respondent first noted the Bonner County BOE reduced subject's value from \$577,500 to \$553,410 and asked this Board to uphold the modified value.

Respondent provided five sales which took place in 2006 to support subject's assessed value. Sales A and B sold for \$375,000 and \$365,000, or \$3,713 and \$2,626 per waterfront foot, respectively. Respondent argued they were lesser quality properties than subject because one is located at the mouth of Fry Creek, and is slough front rather than Lake Pend Oreille frontage.

Sale C was an unimproved lot with 180 feet of waterfront, which sold in August 2006 for \$550,000 or \$3,056 per front foot. Respondent believed this was the same sale presented by Appellant, but was not certain. While the parcel had more frontage and a rocky beach, it was argued to be similar to subject.

Sales D and E were parcels with 100 feet of waterfront that sold for \$850,000 and \$749,000, or \$8,500 and \$7,490 per front foot, respectively. Respondent argued sales C, D, and E should be given the most weight in determining subject's value.

Respondent believed Sale C was the same sale referred to in Appellant's information and noted the ratio of assessed value to sale price was 105%, clearly within acceptable equalization standards.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to

support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho utilizes a market value standard to value property for tax purposes, as defined in Idaho Code § 63-201:

(10) "Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing sell, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Sales are the most reliable measure of market value. Respondent provided five sales. While the price per waterfront foot ranged between \$2,626 and \$8,500. Some detail was presented about the comparability of the sales to the subject property. Respondent urged the Board to place the most weight on Sales C, D and E, which sold for \$3,056, \$8,500 and \$7,490 per front foot. As subject was assessed for \$5,301 per front foot, the sales appear to support the assessed value of subject.

The record indicates both parties considered the same sale property (Respondent's Sale C), which indicates both parties agree there is some level of comparability between this property and subject. The sale involved a parcel with 180 feet of waterfront and sold for \$550,000 or \$3,056 per waterfront foot and was the most proximate sale to subject. There was not sufficient information in the record to persuade the Board to simply apply the rate of \$3,056 per front foot to derive subject's appropriate value.

The letter from the Bonner County Commissioners submitted by Appellant concerned BOE actions for the 2006 tax year and has no bearing on 2007 property assessments.

Therefore, we find the best evidence of market value is the current assessed value of the subject property. The decision of the Bonner County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bonner County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED JANUARY 30, 2008